

Everett Investment Regulations

PERAC Approval Date	Regulation Number	Investment Regulation/Supplemental Regulation
November 29, 2004	16.08	In accordance with PERAC Investment Guideline 99-2, the Everett Retirement Board is authorized to modify its equity management mandate with RhumbLine Advisers. In addition to existing index fund mandates for large cap and mid cap equities, RhumbLine will now manage a small cap index fund for the Board. Funds for this mandate will come from a recently terminated actively managed account run by SEB. The Board has been very satisfied with the performance and service offered by RhumbLine, it has surveyed the products of other small cap index providers, and it feels that it will have benefits of flexibility and efficiency by having all of its index management mandate with one provider.
October 13, 2004	16.08	In accordance with Investment Guideline 99-2, the Everett Retirement Board is authorized to modify its international equity mandate with State Street Global Advisors. The Board will transfer assets from the existing investment in SSGA's International Growth Opportunities Fund into a combination of the SSGA MSCI-EAFE Strategy Fund (an index fund) and the SSGA International Alpha Strategy Fund. By replacing a fund that is growth-orientated with two funds that offer a "core" approach, the Board hopes to achieve more consistent performance over time. The new funds invest in the same universe and have the same benchmark as the IGOF fund and they also have lower fees.
March 10, 2004	16.08	<p>In accordance with Investment Guideline 99-2, the Everett Retirement Board is authorized to:</p> <ol style="list-style-type: none"> (1) transfer 10% of the assets currently invested in the RhumbLine S&P 500 Fund to the RhumbLine S&P 400 Mid Cap Fund in order to obtain broader market exposure (2) transfer 10% of the assets currently invested in the SSGA Daily Bond Market Fund to the SSGA TIPS (Treasury Inflation Protected Securities) Fund in order to

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obtain broader market exposure

- (3) change its small cap equity mandate with SEB from a separately managed account to a commingled fund, the SEB Small Cap Commingled Fund, in order to achieve reduced custodial fees

January 2, 2004	19.01(4)	The Everett Retirement Board is authorized to increase its investments in real estate from a maximum of 5% of the total market value of the portfolio to a maximum of 10%. The percentages refer to market values at the time of the investment.
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